## MEDICAID PAYMENT REFORM PROPOSAL SELECTED

## FOR IMMEDIATE RELEASE

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DENVER – July 1, 2013 – The Department of Health Care Policy and Financing (Department) announced today that it has selected a Medicaid payment reform proposal to pilot in its Accountable Care Collaborative (ACC). The proposal, by Rocky Mountain Health Plans, was selected from ten submitted to the Department by the ACC Regional Care Collaborative Organizations.

"Colorado Medicaid is focused on transforming our care delivery and payment systems to focus on paying for value instead of volume," said Sue Birch executive director. "Our Regional Care Collaborative Organizations are vital partners in both care delivery and payment system reform. The pilot program will allow us to test innovative ideas that demonstrate new ways of paying for improved client outcomes while reducing costs. One outstanding proposal was selected for this particular pilot. We received many good ideas and will continue working to progress payment reform with all of our Regional Care Collaborative Organizations."

The two year pilot program will focus on payments for services delivered to clients in Delta, Garfield, Gunnison, Mesa, Montrose, Pitkin, and Rio Blanco counties.

The pilot program includes behavioral health integration, global payments, and risk and gain-sharing arrangements which will allow payments to providers for value at the point of care. These payments will be designed to ensure:

- 1. Reimbursement to give providers the time and capacity needed to perform the activities required for whole person care;
- 2. Accountability for the total cost of care; and
- 3. Bonus opportunities for quality improvement.

The proposal is sponsored by Rocky Mountain Health Plans, Colorado West Regional Mental Health Center, Midwestern Colorado Mental Health Center, along with multiple independent physician groups, hospital and health systems, Federal Qualified Health Centers, primary care providers, and public health and human services agencies.

The pilot program is authorized by House Bill 12-1281. Additional information is available on the Department of Health Care Policy and Financing's website.

About the Accountable Care Collaborative: The Accountable Care Collaborative (ACC) is the new Colorado Medicaid program to improve clients' health and reduce costs. More than 300,000 clients are currently enrolled in the ACC. Medicaid clients in the ACC receive the regular Medicaid benefit package and belong to a Regional Care Collaborative Organization (RCCO). The ACC program has seven geographical regions, each served by a specific Regional Care Collaborative Organization. These regional organizations provide care coordination, connect members to primary care (a medical home), specialists and community resources as needed.

The ACC is a central part of Medicaid reform that changes the incentives and health care delivery processes for providers from one that rewards a high volume of services to one that holds them accountable for health outcomes.

**About the Colorado Department of Health Care Policy and Financing**: The department administers the Medicaid and Child Health Plan *Plus* programs as well as a variety of other programs for low-income Coloradans, families, children, pregnant women, the elderly and people with disabilities. The mission of the department is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources. For more information about the department, please visit Colorado.gov/hcpf.